

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**SB 1549 - HB 1731**

April 3, 2009

**SUMMARY OF BILL:** Requires the Governor to appoint a nine-member regulatory board to be named the State Board of Pet Groomers. Authorizes the Board to establish rules and educational requirements for licensure. Requires any person that wishes to practice, teach, or attempt to practice or teach pet grooming to obtain a license from the Board. Establishes initial license and annual renewal license fees for individuals, shops, and schools. Violations of any part of this bill are punishable by civil penalties and as a Class B misdemeanor.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue - \$92,000/FY09-10  
\$88,100/FY10-11 and Subsequent  
Years**

**Increase State Expenditures - \$376,500/FY09-10  
\$310,000/FY10-11 and  
Subsequent Years**

**Increase Local Revenue – Not Significant  
Increase Local Expenditures – Not Significant**

**Assumptions:**

- All monies collected shall be deposited into the General Fund.
- Estimated 2,000 applicants for licensure as pet groomer. Initial and renewal license fee of \$35 will result in an estimated recurring increase in state revenue of \$70,000 (2,000 x \$35).
- Estimated 450 applicants for licensure as a grooming shop. Initial and renewal license fee of \$35 will result in an estimated recurring increase in state revenue of \$15,750 (450 x \$35).
- Estimated 25 applicants for licensure as a grooming school. Initial license fee of \$200 will result in a one-time increase in state revenue of \$5,000 (\$200 x 25). Renewal fees of \$75 will result in a recurring increase in state revenue of \$1,875 (25 x \$75).
- The Board shall be responsible for inspections of schools and shops for initial licensure and changes in ownership. The inspection fee is \$50.

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Initial inspections for the 25 applicants for licensure as a grooming school will result in a one-time increase in state revenue of \$1,250 (25 x \$50). Estimated 10 inspections per year for a recurring increase in state revenue of \$500 (10 x \$50).

- One-time increase in state revenue is estimated to equal \$92,000 (\$70,000 groomer fees + \$15,750 shop fees + \$5,000 school fees + \$1,250 inspection fees).
- Recurring increase in state revenue is estimated to equal \$88,125 (\$70,000 groomer renewal fees + \$15,750 shop renewal fees + \$1,875 school renewal fees + \$500 inspection fees).
- One-time increase in state expenditures for the addition of personnel is estimated to equal \$66,400 (\$49,200 vehicle purchase + \$10,000 office landscaping + \$7,200 computer costs).
- The Department of Commerce and Insurance will require additional personnel. These personnel will consist of one licensing technician at \$28,848.60 (\$27,900 salary + \$9,486.00 benefits), one administrative assistant at \$40,736 (\$30,400 salary + \$10,336 benefits), and three field agents at \$132,418.80 (\$32,940 salary + \$11,199.60 benefits x 3). Three vehicles will be purchased by the Department for use by the field agents. The recurring increase in state expenditures is estimated to equal \$310,040.80 (\$157,120 salaries + \$53,420.80 benefits + \$56,000 administrative cost allocation + \$18,100 vehicle lease + \$9,800 office lease + \$15,600 computer, communication and supplies).
- A small increase in cases in the court system, which will result in additional state and local government expenditures for processing the cases and additional state and local government revenue from fees, taxes and costs collected. These expenditures and revenue are estimated to be not significant.

## **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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